



# Thrift Savings Plan BULLETIN

for Agency TSP Representatives

**Subject:** Updated Web Version of the *Summary of the Thrift Savings Plan*

**Date:** September 9, 2009

Public Law 111-31, the Thrift Savings Plan Enhancement Act of 2009 (the Act), was signed on June 22, 2009. It authorizes a number of changes to the Thrift Savings Plan (TSP), including the elimination of the waiting period for agency contributions for participants covered by the Federal Employees' Retirement System (FERS) and other equivalent retirement plans. This provision has already been implemented (See Bulletin 09-8, H.R. 1256 — Implementation of Immediate Agency Contributions for Participants Covered by the Federal Employees' Retirement System and Equivalent Federal Retirement Plans.) The additional provisions of the Act, including automatic enrollment in the TSP and the TSP Roth 401(k) feature, do not have implementation dates thus far.

In light of this significant change, the TSP has updated the web version of the *Summary of the Thrift Savings Plan* booklet. Additional minor revisions, e.g., the updating of information about indexes tracked by the Fixed Income Index Investment (F) Fund and the Small Capitalization Stock Index (S) Fund have been made. The web version of the *Summary of the Thrift Savings Plan* booklet is dated July 2009. A copy of the updated web version can be downloaded from the Forms and Publications section of the TSP website. We encourage agencies to inform participants that the updated version of the booklet is available on the website and to download a copy for their information.

The TSP has also provided an addendum for the printed Summary dated October 2008. The Addendum will automatically be mailed with all orders for printed October 2008 Summaries. The July 2009 version of the booklet will not be printed. The Addendum can also be ordered separately so that agencies can distribute it with the booklets they already have on hand. The Addendum to the October 2008 version of the *Summary of the Thrift Savings Plan* provides a detailed list of updates that have been made to the booklet. A copy of the Addendum is attached to this bulletin.

The TSP will revise the summary booklet as major provisions of the legislation are implemented. We anticipate that the next printed revision will be issued during the summer of 2010. The TSP will also issue bulletins as the other provisions of the legislation are implemented. We encourage all TSP representatives to enroll in the GovDelivery service offered

*(continued on next page)*

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**Inquiries:** Questions concerning this bulletin should be directed to the Federal Retirement Thrift Investment Board at **202-942-1460**.

**Chapter:** This bulletin may be filed in Chapter 2, General Information.

in the “Info for TSP Representatives” section of the TSP website. Enrollment in this service will allow representatives to receive automatic updates when bulletins and announcements are issued. We anticipate that an increased volume of communications will be issued over the course of the next year. Enrolling in the service will make it easier to keep abreast of the changes ahead.

A handwritten signature in black ink, reading "Pamela-Jeanne Moran". The signature is written in a cursive, flowing style.

PAMELA-JEANNE MORAN  
Director  
Office of Participant Services

Attachment

## ***Addendum to October 2008 Version of the Summary of the Thrift Savings Plan***

The following Addendum to the October 2008 version of the *Summary of the Thrift Savings Plan* itemizes content revisions we will print in the next version due to a change to the Thrift Savings Plan. The change is the result of new legislation signed by the President on June 22, 2009. The legislation, the Thrift Savings Plan Enhancement Act of 2009, which is attached to the Family Smoking Prevention and Tobacco Control Act (Public Law No. 111-31), requires that all FERS participants be immediately eligible for agency contributions. These contributions include Agency Automatic (1%) Contributions and, for FERS employees who elect to contribute money from their own pay, Agency Matching Contributions as well.

Previously, FERS employees became eligible for agency contributions after a waiting period of up to one year, depending on their date of hire. All FERS employees (including new hires, rehired employees, and those FERS employees who were still in their waiting period when the law was signed) are now eligible to receive agency contributions.

Also included in this Addendum are name changes to a couple of indexes that TSP investments track.

### **Changes to the Booklet**

- *On page 2, the following text replaces the sidebar "Are you a new participant?" along the left-hand margin of the page:*

#### **Getting started:**

- 1 To begin making contributions from pay, you need to make a contribution election to let your agency or service know how much you want to contribute. (Page 2) If you are FERS, a TSP account will automatically be established for you when your agency makes your first Agency Automatic (1%) Contribution whether or not you contribute from your pay. (Page 3)
- 2 Verify information and note your account number in the "welcome letter" you'll receive when your account is opened.
- 3 Look for your TSP Web password and Personal Identification Number (PIN) in the mail. You use your account number with your Web password to access your account on the TSP Web site and with your PIN to access the ThriftLine (the TSP's automated telephone service).
- 4 Initial contributions will go to (and stay in) the G Fund unless you make an "interfund transfer." (Page 11)
- 5 If you want future contributions invested in funds other than the G Fund, tell the TSP how you want them invested by making a "contribution allocation." (Page 11)
- 6 If you wish, designate beneficiaries to receive your account in the event of your death. (Page 18)

- On page 3, the following paragraph replaces the first paragraph under the heading “Agency Automatic (1%) Contributions”:

If you are a FERS employee, beginning the first time you are paid, your agency will contribute an amount equal to one percent of the basic pay you earn each pay period to your account. These contributions are called Agency Automatic (1%) Contributions. To get these contributions, you do not need to be making employee contributions. **Note:** Employees who began working for the Federal Government before June 22, 2009, had to complete a waiting period before becoming eligible for agency contributions. This waiting period was eliminated with the passage of new legislation (P.L. No. 111-31) on that date. So FERS employees who were still in their waiting period as of that date are now eligible for Agency Automatic (1%) and Matching Contributions.

- On page 3, the now obsolete chart “Eligibility Dates for Agency Automatic and Matching Contributions” is deleted.
- On page 4, the first paragraph under the heading “Matching Contributions” is deleted.
- On page 4, under “Notes,” a third bullet is added:
  - Prior to June 22, 2009, FERS employees were required to complete a waiting period before becoming eligible for agency contributions. This waiting period was eliminated with the passage of new legislation (P.L. No. 111-31) on that date. So FERS employees who were still in their waiting period as of that date are now eligible for Agency Automatic (1%) and Matching Contributions.
- On page 5, a reference to Tax Code (section 402(g)) replaces the reference to Tax Code (section 407(g)) in the second paragraph.
- On page 9, under “The Small Capitalization Stock Index (S) Fund,” the name of the Dow Jones Wilshire 4500 Completion (DJW 4500) Index is changed to the Dow Jones U.S. Completion Total Stock Market (TSM) Index.
- On page 9, the chart that lists the indexes that the TSP funds track is changed as follows:
  - The Web address for the Barclays Capital U.S. Aggregate Bond Index that the F Fund tracks is changed to [www.barcap.com](http://www.barcap.com).
  - The footnote that says the above Web address was subject to change is deleted.
  - The name of the fund the S Fund tracks is changed from Dow Jones Wilshire 4500 Completion Stock Index to Dow Jones U.S. Completion Total Stock Market (TSM) Index.
- On page 10, there are two changes to the chart:
  - In the “Objective of Fund” box for the F Fund, the name Lehman Brothers U.S. Aggregate Bond (LBA) Index is changed to Barclays Capital U.S. Aggregate Bond Index.
  - In the “Objective of Fund” box for the S Fund, the name Dow Jones Wilshire 4500 Completion (DJW 4500) Index is changed to Dow Jones U.S. Completion TSM Index.
- On page 11, the words “Web site” replace the word “ThriftLine” in the last paragraph.
- In the Glossary of Terms, the entry for Agency Automatic (1%) Contributions now reads:

**Agency Automatic (1%) Contributions** — Contributions equal to one percent of basic pay each pay period, contributed to a FERS participant’s TSP account by his or her agency.